Division of Health Care Finance & Administration

Health Care Innovation Initiative

Executive Summary

Outpatient and Non-Acute Inpatient Cholecystectomy Episode

Corresponds to DBR and Configuration file V5.0

Updated: December 27, 2019

OVERVIEW OF AN OUTPATIENT AND NON-ACUTE INPATIENT CHOLECYSTECTOMY EPISODE

The outpatient and non-acute inpatient cholecystectomy episode revolves around patients who have a cholecystectomy (gallbladder removal) either in an outpatient setting or in a non-acute inpatient setting, i.e., do not have acute cholecystitis. The trigger event is the cholecystectomy procedure. All related care – such as anesthesia, imaging and testing, evaluation and management, and medications – is included in the episode. The quarterback, also called the principal accountable provider or PAP, is the physician group of the general surgeon who performs the procedure. The outpatient and non-acute inpatient cholecystectomy episode begins on the lesser of 90 days prior to the procedure (or admission if inpatient) or the first visit to the quarterback within those 90 days, and it ends 30 days after the procedure (or discharge if inpatient).

CAPTURING SOURCES OF VALUE

Providers have multiple opportunities during an outpatient or non-acute inpatient cholecystectomy to improve the quality and cost of care. For example, they can choose the most appropriate site of service and diagnostics, such as blood tests and ultrasound or computed tomography (CT) scans and decrease potential complications due to technical performance. In addition, they can reduce readmissions and other potential complications through coordinated discharge care and patient education and appropriate follow up, leading to improved outcomes and cost-effective care.

To learn more about the episode's design, please reference the following documents on our website at www.tn.gov/hcfa/topic/episodes-of-care:

- *Detailed Business Requirements: Complete technical description of the episode* https://www.tn.gov/assets/entities/hcfa/attachments/CholecystectomyDBR.pdf

- *Configuration File: Complete list of codes used to implement the episode* https://www.tn.gov/assets/entities/hcfa/attachments/CholecystectomyConfigurationFile.xlsx

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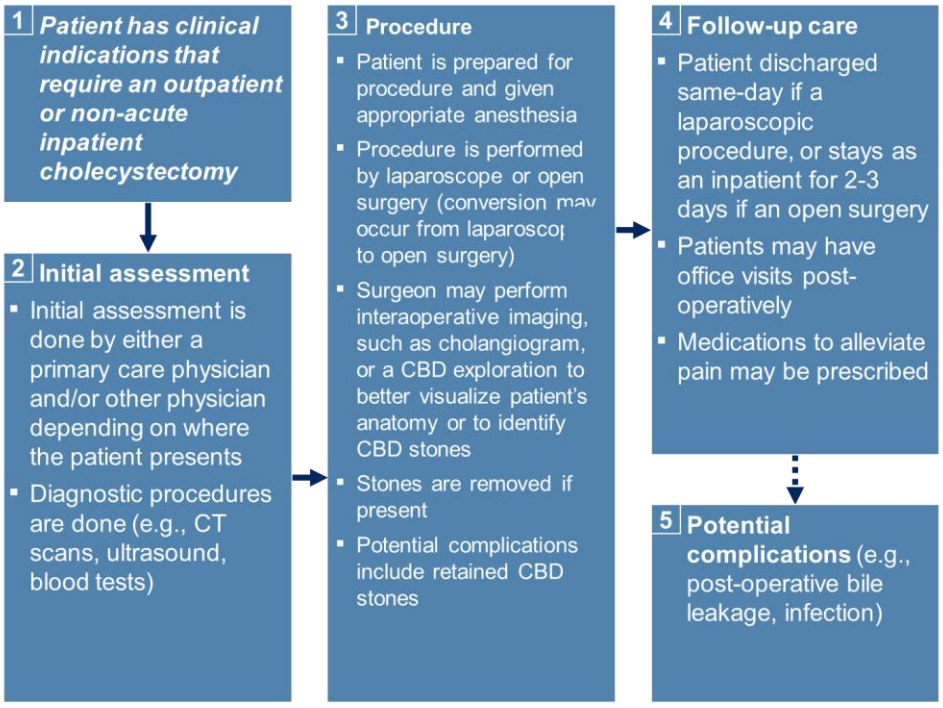
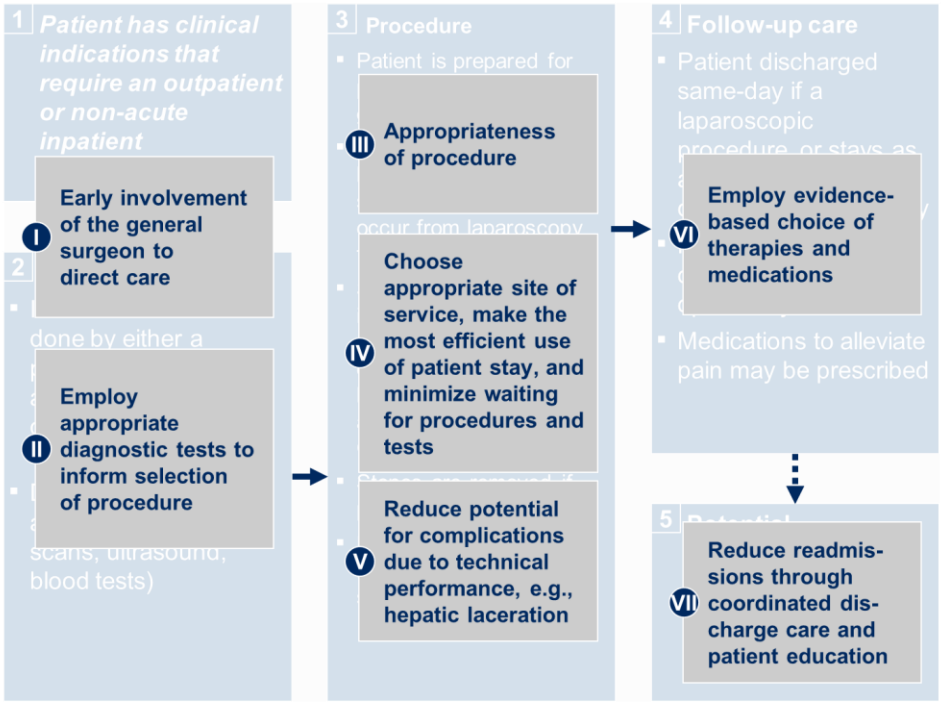
Illustrative Patient Journey



Potential Sources of Value



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ASSIGNING ACCOUNTABILITY

The quarterback of the episode is the specific health care provider deemed to have the greatest accountability for the quality and cost of care for the patient. To state it differently, the quarterback is the provider who has the greatest ability to influence all of the health care delivered in a given episode. For the outpatient and non-acute inpatient cholecystectomy episode, the quarterback is the general surgeon who performs the procedure. The tax identification of the billing provider (or group) of the professional trigger claim will be used to identify the quarterback. All quarterbacks will receive reports according to contracting entity or their tax identification number.

MAKING FAIR COMPARISONS

The episode model is designed to be fair to providers and incentivize best practices without penalizing providers who care for sicker patients. As such, important aspects of the model are:

- Inclusion of only the cost of services and medications that are related to the outpatient or non-acute inpatient cholecystectomy in calculation of episode spend.
- Exclusion of episodes when clinical circumstances create the likelihood that the case will deviate substantially from the typical care path or when claims data is likely to be incomplete.
- Risk adjusting episode spend to account for the cost of more complicated patients.

In the pre-trigger window, the episode includes only office visits to the quarterback and related imaging and testing services. During the trigger window, all services and related medications are included in the episode. The post-trigger window only includes care for complications, evaluation and management visits to the quarterback, specific testing, and related medications.

Some exclusions apply to any type of episode, i.e., are not specific to an outpatient or non-acute inpatient cholecystectomy episode. For example, an episode would be excluded if more than one payer was involved in a single episode of care, if the patient was not continuously insured by the payer during the duration of the episode, or if the patient had a discharge status of ‘left against medical advice’. Other examples of exclusion criteria specific to the outpatient and non-acute inpatient cholecystectomy episode include a patient who has cirrhosis or acute or chronic pancreatitis. These patients have significantly different clinical courses

that cannot be risk adjusted. Furthermore, there may be some factors with a low prevalence or significance that would make accurate risk adjustment difficult and may be used to exclude patients completely instead of adjusting their costs.

For the purposes of determining a quarterback's cost of each episode of care, the actual reimbursement for the episode will be adjusted to reflect risk factors captured in recent claims data in order to be fair to providers caring for more complicated patients. Over time, a payer may adjust risk factors based on new data. The final risk adjustment methodology decisions will be made at the discretion of the payer after analyzing the data.

MEASURING QUALITY

The episode reimbursement model is designed to reward providers who deliver cost effective care AND who meet certain quality thresholds. A quarterback must meet or exceed all established benchmarks for any quality metric tied to gain sharing in order to be eligible to receive monetary rewards from the episode model. Other quality metrics may be tracked and reported for quality improvement purposes but may not be tied directly to gain sharing.

The quality metric linked to gain sharing for the outpatient and non-acute inpatient cholecystectomy episode is:

- **Hospital admission in the post-trigger window:** Percent of valid episodes with an inpatient admission in the post-trigger window (as a proxy for complications) (lower rate indicative of better performance).

The quality metrics that will be tracked and reported to providers but that are not tied to gain sharing are:

- **Intraoperative cholangiography:** Percent of valid episodes with an intraoperative cholangiography during the trigger window (higher rate indicative of better performance, generally- 100% is not considered ideal).
- **Endoscopic retrograde cholangiopancreatography (ERCP):** Percent of valid episodes with ERCP within 3 to 30 days after the procedure (rate not indicative of performance).
- **Average length of stay:** Average duration of the trigger window (lower rate indicative of better performance).

- **Difference in average MED[1]/day**: Average difference in morphine equivalent dose (MED)/day during the 1-60 days prior to the trigger window and average MED/day during the 7-30 days after the trigger window, across valid episodes (lower value indicative of better performance)

It is important to note that quality metrics are calculated by each payer on a per quarterback basis across all of a quarterback's episodes covered by that payer. Failure to meet all quality benchmarks tied to gain sharing will render a quarterback ineligible for gain sharing with that payer for the performance period under review.

[1] MED: morphine equivalent dose